

MO270055

Ray Mining LC
890 E. 450 So.
Smithfield, Utah 84335
Tel. 435.563.6796
silversmith@myway.com

Mr. Tom Munson
1594 West North Temple
Box 145801
Salt Lake City, Utah 84114-5801

4 December 2006

Dear Mr. Munson;

I am writing this letter to clarify some of the points we discussed in our recent telephone conversation. Because of my misunderstanding about what constitutes "activity" at our mining site, I have indicated in our annual reports that there was no activity at the mine. Over the past five or six years, however, I and others have personally been to the mine and removed pumice on several occasions. I have also had a gentleman from Milford, who has on occasion removed lump pumice from the piles on the surface of the property. There has been no heavy equipment used in the removal of the stone and all loading has been by hand.

After our phone conversation, I realized that my understanding of the term "activity" was incorrect. Based on my new understanding of the term "activity", I would hope that the reports of the past could be amended to indicate that there has been some activity at the mine in at least 4 of the past 6 years.

I mentioned to you on the telephone, but do not believe that I have notified you in writing, that the Utah Pumice and Perlite Corporation which owns the 40 acre Cudahy Mine site was recently purchased by our other business, Ray Mining LC. We will be closing the UP&P Corp. in the near future. This means that Ray Mining LC will now be the party who would be responsible for any reclamation work on the property. We will draft the bonding contract to reflect that change. These changes are noted on the attached page.

At this point in time, we are actively looking for a buyer for the total property and feel it would be detrimental to begin any reclamation activities, which would force the buyer to go to the effort and expense of reopening the reclaimed area. I will pursue with Beth Ericksen the necessary bonding so that the pit might remain open, but covered with the necessary bonding requirements.

I was recently at the mine site and took what I consider to be very accurate measurements of the disturbed area using a Garmin GPS and a Bushnell rangefinder. The total area of disturbance that falls under the reclamation requirements measures slightly under 3 acres. I have included with this letter, a map of the disturbed area. If there are any questions about our plans or about these measurements, please feel free to contact me.

Sincerely,



Byron N. Ray
Director, Ray Mining LC

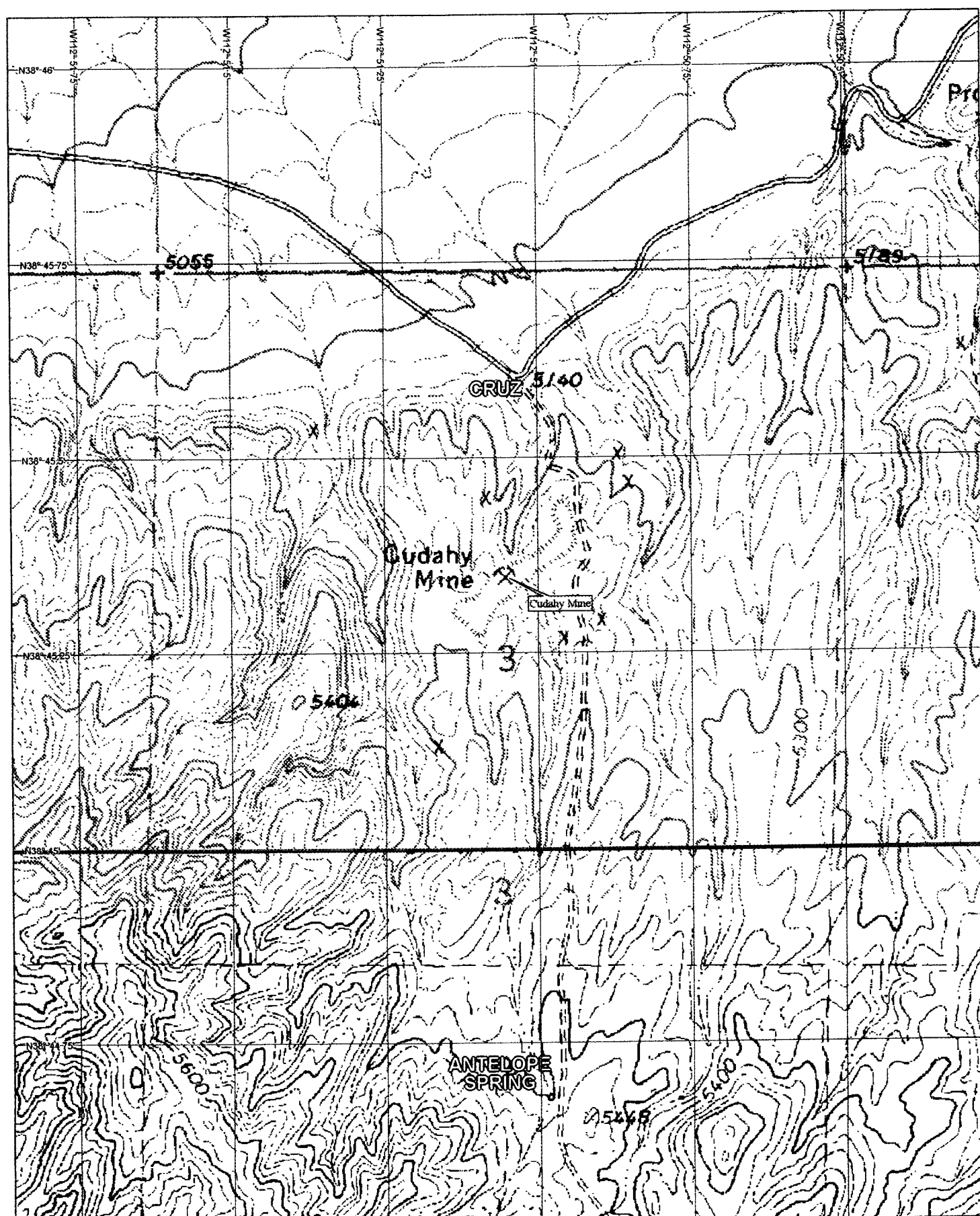
Enc: Map and page with corporate changes.

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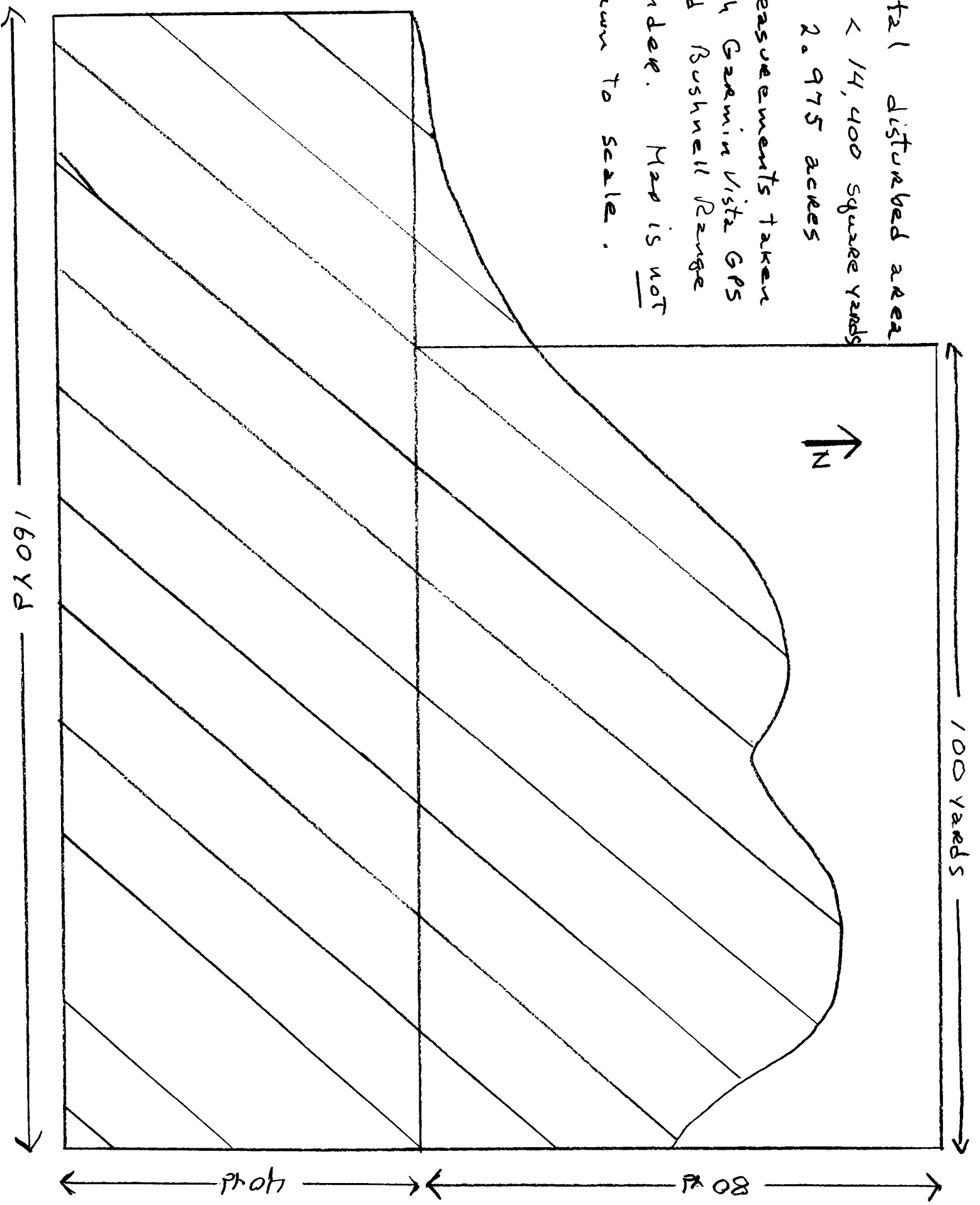
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DIV. OF OIL, GAS & MINING

mine is in sec 3 T 24 S 29 W SLBM



Total disturbed area
is < 14,400 square yards
= 2.975 acres
Measurements taken
with Garmin Vista GPS
and Bushnell Range
finder. Map is not
drawn to scale.



MINUTES OF SPECIAL MEETING OF THE DIRECTOR OF UTAH PUMICE & PERLITE, INC.,
A UTAH CORPORATION, HELD AT THE OFFICES OF OLSON & HOGGAN, P.C., 88 WEST
CENTER, LOGAN, UTAH, ON THE 23RD DAY OF AUGUST, 2006, PURSUANT TO
PERSONAL NOTICE TO EACH DIRECTOR.

DIRECTOR PRESENT:

Byron N. Ray
Ruth Ray
Cheryl Ray

ACTING CHAIRMAN AND SECRETARY:

Upon motion duly made and carried and by unanimous vote of all present, the parties chose the following persons to act as Chairman and Secretary of this meeting:

CHAIRMAN: Byron N. Ray
SECRETARY: Cheryl Ray

ELECTION OF OFFICERS:

The Chairman turned to the matter of election of officers of the Corporation. After due consideration and discussion of the matter and upon motion duly made and seconded, it was unanimously

RESOLVED, that the following persons be and are hereby elected to be the officers set forth after their respective names:

Byron N. Ray	-	President
Cheryl Ray	-	Secretary

The above-named officers shall serve in such capacity until the next annual meeting of the Board of Directors and until their successors are duly elected.

There being no further business to come before the meeting, the same was, upon motion duly made, seconded and unanimously carried, declared adjourned.

**NOTICE OF SPECIAL MEETING OF
SHAREHOLDERS OF
UTAH PUMICE AND PERLITE, INC.**

Notice is hereby given that a special meeting of the shareholders of Utah Pumice and Perlite, Inc., a Utah corporation (the "Company"), will be held as follows:

DATE: August 24, 2006

HOUR: 10:00 a.m.

PLACE: Law Offices of Olson & Hoggan, P.C., 88 West Center, Logan, Utah

The purpose of this special meeting is as follows:

1. To ratify and approve the sale of substantially all of the Company's assets to Ray Mining, L.C. A copy of an Asset Purchase Agreement is attached; and
2. Such other and further business as may appropriately come before the shareholders.

DATED this ____ day of August, 2006.

OLSON & HOGGAN, P.C.

Robert B. Funk